

DEPARTMENT OF STATE REVENUE

Information Bulletin #209
General Tax
December 2019
(Replaces Commissioner's Directive #31 dated June 2006)
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SUBJECT: Fireworks Public Safety Fee

REFERENCE: [IC 22-11-14-1](#); [IC 22-11-14-8](#); [IC 22-11-14-12](#); [IC 22-11-14-13](#); and [IC 22-11-14-14](#)

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SUMMARY OF CHANGES:

Aside from technical, nonsubstantive changes, this bulletin effectively provides the same information as it had before when it was published under the title Commissioner's Directive #31.

I. INTRODUCTION

The purpose of this bulletin is to provide guidance concerning the five percent (5%) public safety fee that is imposed on the gross retail income of fireworks sold in Indiana.

II. DEFINITIONS

The various types of fireworks that are subject to the fireworks public safety fee are defined in this section.

"Consumer firework" means a small firework that is designed primarily to produce visible effects by combustion, and that is required to comply with the construction, chemical compositions, and labeling regulations promulgated by the United States Consumer Product Safety Commission under 16 CFR 1507. Examples of consumer fireworks are aerial devices, which include sky rockets, missile type rockets, helicopter or aerial spinners, roman candles, mines and shells, firecrackers, salutes, and clusters.

"Special fireworks" means fireworks designed primarily to produce visible or audible effects by combustion, deflagration, or detonation, including firecrackers containing more than 130 milligrams of explosive composition, aerial shells, and other display items that exceed the limits for classification for consumer fireworks.

The following items are also subject to the fireworks public safety fee: dipped sticks, wire sparklers, cylindrical fountains, cone fountains, illuminating torches, wheels, ground spinners, flitter sparklers snakes or glow worms, smoke devices, and trick noisemakers.

III. IMPOSITION OF PUBLIC SAFETY FEE

The public safety fee is imposed on the retail sale of fireworks in Indiana. The person who acquires the fireworks in a retail transaction is liable for the public safety fee on the transaction, and shall pay the public safety fee to the retailer as a separate added amount to the transaction. The retailer shall collect the public safety fee as an agent for the state.

The public safety fee is measured by the gross retail income received by the retailer for the sale of fireworks and is imposed at the following rates:

PUBLIC SAFETY FEE		GROSS RETAIL INCOME FROM THE RETAIL UNITARY TRANSACTION	
\$ 0		less than	\$ 0.10
\$ 0.01	at least \$ 0.10	but less than	\$ 0.30
\$ 0.02	at least \$ 0.30	but less than	\$ 0.50

\$ 0.03	at least \$ 0.50	but less than	\$ 0.70
\$ 0.04	at least \$ 0.70	but less than	\$ 0.90
\$ 0.05	at least \$ 0.90	but less than	\$ 1.10

If the retail transaction exceeds one dollar and nine cents (\$1.09), the public safety fee is five percent (5%) of the gross retail income.

If the public safety fee computed results in a fraction of one-half cent (\$0.005) or more, the amount of the public safety fee shall be rounded to the next additional cent.

IV. REMITTANCE OF THE PUBLIC SAFETY FEE

The public safety fee is collected by the retailer as an agent for the state. The public safety fees collected in trust for the state makes an individual retailer, an employee, officer, partner in a partnership or member of a limited liability company personally liable for the payment of the public safety fee to the state. A person who knowingly or intentionally fails to collect or remit the public safety fees due commits a Level 6 felony.

The public safety fee is due twenty (20) days after the end of the month in which the public safety fee was collected. The public safety fee shall be remitted to the department on forms required by the department.

V. REGISTRATION WITH THE DEPARTMENT OF REVENUE

Any person selling consumer fireworks, special fireworks, or novelties and trick noisemakers at retail is required to collect the public safety fee. All retailers that are selling consumer fireworks are required to register with the state fire marshal. The entities that register with the state fire marshal will automatically be registered with the department and will receive the forms necessary to remit the public safety fee.

A person that is required to register with the state fire marshal and receive a certificate of compliance as a resident wholesaler, manufacturer, importer, or distributor is not prohibited from selling consumer fireworks at retail if the consumer fireworks are to be used on the property of the purchaser, or on the property of another person who has given permission to the purchaser to use the consumer fireworks.

A retailer who is selling items listed in [IC 22-11-14-8\(a\)](#), which includes sparklers, snakes, ground spinners, smoke devices, and trick noisemakers among other things will be required to collect the public safety fee. All wholesalers, manufacturers, importers, and distributors are required to provide a list to the state fire marshal of all retailers to whom they have sold or will sell these items.

A retailer selling items listed in [IC 22-11-14-8\(a\)](#) from a temporary stand must obtain a fireworks stand retail sales permit from the state fire marshal. These retailers are required to collect and remit the public safety fee to the department and will receive forms from the department to remit the fee.

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